

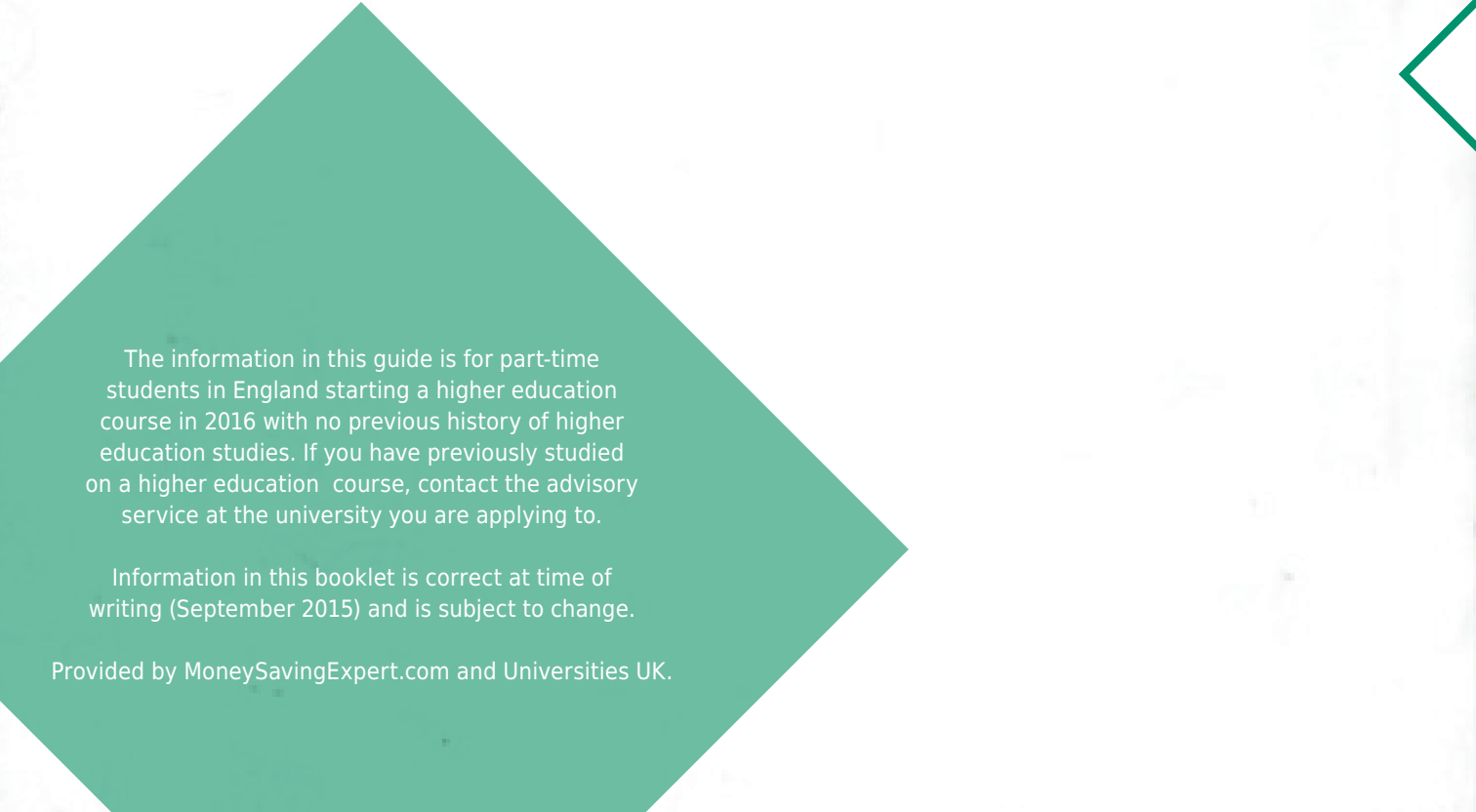


Part-time Guide

YOU CAN AFFORD TO GO TO UNI

The true cost of full time higher
education study in England

2016



The information in this guide is for part-time students in England starting a higher education course in 2016 with no previous history of higher education studies. If you have previously studied on a higher education course, contact the advisory service at the university you are applying to.

Information in this booklet is correct at time of writing (September 2015) and is subject to change.

Provided by MoneySavingExpert.com and Universities UK.

If you only read the headlines you'd think all students were 18 years old, leaving home, drinking beer and doing full-time degrees. Yet around a third of those who go into higher education are studying part time, aged 18 to over 100, and I suspect there's a huge variety in the choice of tipple too.

The changes to English tuition fees have been in many ways far more radical for part-timers than for any other students, yet little was done to explain this to you when the changes came about.

The bad news is that fees increased for those going to university after September 2012. Universities in England can now charge part-time undergraduate students up to £6,750-a-year. The good news is, rather than needing to stump up the cash upfront, government-backed student loans are now available to part-time undergraduates on the same basis as to full-time undergraduates – and only need be repaid if you earn enough.

One good thing about studying part time is that you can carry on working and earning at the same time, which may be necessary as you won't be eligible for maintenance loans or grants to help with your living costs, unlike full-time students.

So the aim of this guide is pretty simple: to take you through how the new system works and what you'll really pay to study part time. After all, if you don't know the cost how can you decide if it's worth it?

MARTIN LEWIS

Money Saving Expert



Part-time student finance has changed

Student loans are a bizarre contradiction. Everyone talks about the price tag – yet the repayment system and interest charges mean that the figures bear little resemblance to the actual amount you will repay.

Due to the way higher education is funded, nearly all higher education institutions have been charging higher fees since September 2012, higher than they ever had in previous years. Of course higher fees (which could add up to tens of thousands of pounds) are scary – yet they're not as frightening as they sound. That's because you can now get official student loans to cover them and that means that your repayments are solely based on your earnings, not on the amount you borrowed.

This guide will take you through it all in detail, but if you read nothing else, it's important to understand the following five key facts:

1. You don't need the cash to pay for tuition fees

Those eligible for a loan do not need to provide the money to pay the fees upfront. Most part-time first-time undergraduates will receive a loan from the Student Loans Company and only need to repay this if they earn enough once they've left university.

If you're thinking 'but I don't want to be in debt', please read 'Think of it more like an extra tax, not a loan!' in section 4.

2. The nightmare scenario – borrowing elsewhere to fund fees

Student loans are one of the cheapest and safest forms of long-term borrowing possible. The massive advantage over normal borrowing is you only repay if you earn enough, and if you lose your job, repayments stop.

Apart from the very financially savvy (people playing the system to get short-term lending they can repay quickly), to get a commercial debt to replace a student loan is almost always a bad decision.



3. You only repay if you earn enough money

Once you leave university, you will only repay the loan if you earn above a certain threshold. The threshold is currently set at £21,000 a year.

Part-time students who earn above that threshold will start repayments in the April four years after the start date of their course, or the April after they leave or complete their course, whichever is sooner.

That means most part-time students starting in 2016 won't start repaying until April 2021.

If you never earn above the threshold throughout your career (although we hope you do) the debt is wiped and you'll never have to repay a thing.

SHOULD I PAY THE FEES UPFRONT?

Even if you have the money saved up, it may be a mistake to pay the tuition fees upfront, but it can depend on your circumstances. Some people, especially lower earners and those close to retirement, will never come close to paying off their loan so it can be a mistake to pay upfront.

For more information to help you decide, see www.moneysavingexpert.com/payupfront

We're going to call it 'the £21,000 threshold'

When the new 2012 student loans were launched it was announced the £21,000 repayment rate would start to rise with average earnings from 2017. The government is currently consulting on freezing it at £21,000, which is effectively a hike in repayments for millions of students. However, for ease throughout this guide we're going to refer to it as 'the £21,000 threshold'.

THE BASIC FACTS

4. Not every part-timer is eligible for a tuition fee loan

Student loans for tuition fees are only available to those studying at university for the FIRST TIME. You won't usually be eligible for tuition fee support if you have a previous qualification of the same level or a higher level than the one you wish to study. Although there are some exceptions such as those studying medicine, NHS-funded courses or PGCEs.

5. A £6,750 course won't necessarily cost more than a £4,500 one

Graduates' monthly student loan repayments are the same whether they take a £4,500-a-year course, or the maximum £6,750-a-year course. This is because repayments depend solely on earnings, not on how much you borrow.

As student debt is wiped after 30 years (and some students won't even repay in full in that time at the lower level), for some lower earners there is no additional cost to taking a £6,750 course (explained in more details in section 3). So don't automatically plump for the cheaper course if it's not the right one for you.



You need to be doing the hours!

If you are a first-time university student, you need to be completing a minimum of 25% of the equivalent full-time course load each year for the duration of your course to be eligible. If you're spreading the course even further, you won't qualify for a student loan.

Unfortunately, the higher fees mean that those who don't qualify could face substantially higher costs than in previous years and with no loans to help them out. Do speak to the university you may plan to study with – a few have special fee reductions or their own version of student loans for those who don't qualify for the government funding.

IF YOU HEAR OTHER PEOPLE TALK ABOUT THE FUNDING SYSTEM AND TELL YOU THEIR EXPERIENCES, DO REMEMBER IT COMPLETELY CHANGED FOR NEW 2012 STARTERS IN ENGLAND - ANYONE WHO STARTED UNIVERSITY BEFORE THAT WAS ON A DIFFERENT SYSTEM.



WHAT FUNDING IS AVAILABLE?

There is a range of financial support out there for those who want to go into higher education. This falls into two main categories: government support and money that comes direct from universities and colleges.

Government funding – loans and grants for tuition, NOT living

Government funding in England is operated by Student Finance England, which is part of the Student Loans Company.

The tuition fee loan

Part-time students are only eligible for a loan to cover their tuition fees. The amount does not depend on your household income and you can apply for a loan to cover either all, or some of your fees.

The amount you apply for is paid direct by the Student Loans Company to the university or college, so it never passes through your hands.

Check the gov.uk website www.gov.uk/student-finance for information on how to get your application form for tuition fee loans.

Remember – you don't need to wait until you've been formally offered a place at university before you apply for your loan. Similarly, you don't need to have your loan approved before you apply for your course. If you're eligible for a student loan, you will get it.



Who is eligible for a loan?

To be eligible for a tuition fee loan, part-time students must:

- Complete a minimum of 25% of the equivalent full-time course load each year of their course, for the duration of their course. Speak to the institution you are applying to study at if you're not sure exactly what this means.
- Be studying towards an undergraduate programme for the first time. Students who hold a qualification at degree level (e.g. BA, BSc, LLB) are not normally eligible for further support, but there are exceptions to the rule.

For advice about whether you will be eligible for support, contact Student Finance England.

If you have previously started a higher education course and didn't finish it, or took a break, it is at the institutions' discretion to decide whether you are deemed to be a continuing student or a new student. This may have an effect on whether you are eligible for a loan.

I'm not eligible for a tuition fee loan. What are my options?

If you are not studying for the first time and therefore are not eligible for a tuition fee loan, there could be other help available:

Employer sponsorship

Some part-time students in employment can get sponsorship from their employer, especially if the qualification will help advance you in your role. If you are in this position, try and put a persuasive business case to your employer or ask for help via study leave, or flexible working arrangements.

However, eligibility for any loan remains with the student and employers cannot apply for the tuition fee loan on an employee's behalf. They can pay all or part of your fees upfront but, if you take a loan, the responsibility for repaying that loan rests with you.

Paying in instalments

Some universities have developed interest-free payment schemes to ease the burden for students who aren't eligible for loans, or who don't wish to take out a student loan. This allows you to spread the fees across several payments, which could make it much easier to generate the cash flow.

Support from universities and higher education institutions

As part of the conditions for being allowed to charge much higher fees, many institutions have had to put more money aside to provide additional financial support for students from homes with lower incomes, and those who would be considered less likely to attend university.

If your household income is low, you may be offered further incentives to go to university. Universities may

- well use their own money to support you too. Amounts and eligibility vary from institution to institution.



GENERALLY, IF YOU ARE ELIGIBLE FOR FINANCIAL SUPPORT FOR A PART-TIME DEGREE, THE MONEY IS LIKELY TO BE GIVEN IN ONE OF TWO WAYS:

- Fee waiver. This is a reduction each year on your tuition fees, meaning you can take out a smaller loan.
- Scholarship. Usually a form of cash or gift in kind. Sometimes it will depend on academic ability.

This financial support could be worth up to £3,000 for full-time students (or pro-rata that amount for part-time students).

There are no bursaries available for part-time students though, unlike their full-time counterparts.

Funding other costs at university

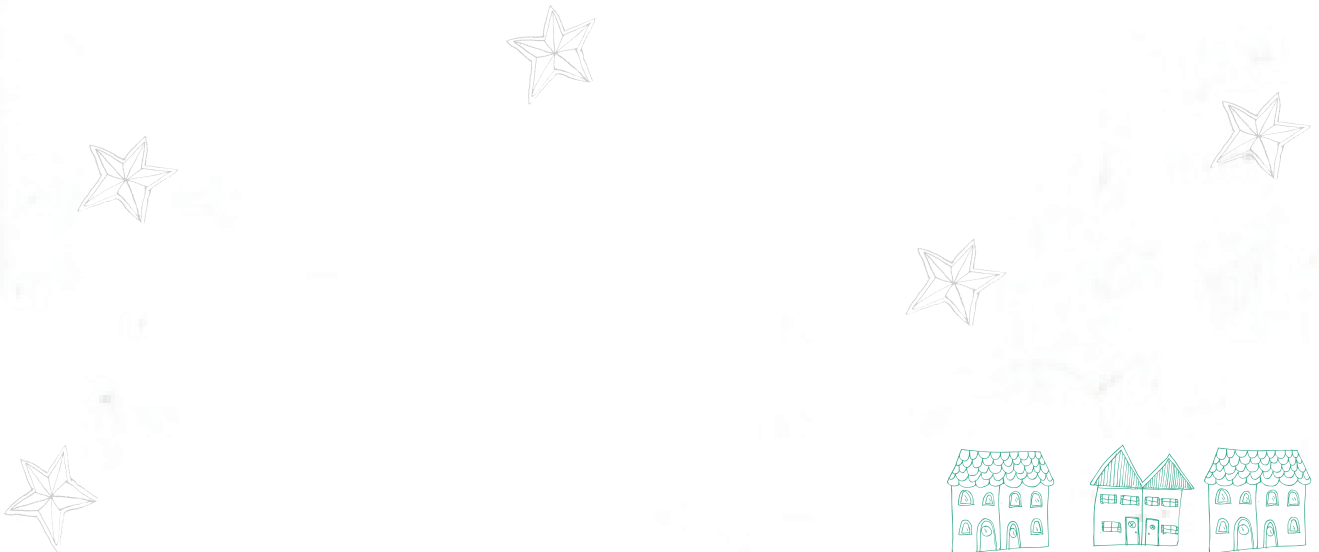
Fees are the major cost of study for part-time students. If you take out a loan to pay them, you can pretty much forget about your fees while you're actually studying, and only think about the repayments further down the line, as repayments start in the April four years after the start of your course.

However, you will need to buy course materials such as books and there may be other costs such as travel or childcare, as well as your general household costs to cover. Part-time students have never received maintenance loans as they've always been expected

to self-fund via work or benefits – and that hasn't changed. If you don't have other income and want to study, it is worth considering a full-time course where you are likely to be eligible for a living costs loan (see the full-time students' guide or mature student guide for more information).

Will studying affect benefits?

If you receive benefits, getting a tuition fee loan will not in any way change your eligibility for them as student loans are not income based. See the Q&A section for details on other benefits you may qualify for.



HOW THE REPAYMENTS WORK

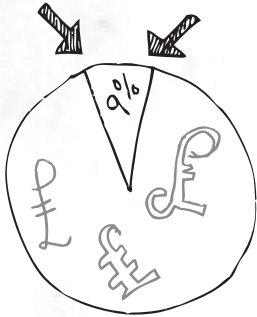
Of course while getting a loan is great, it's not a grant, so once you're earning enough you will need to repay it. But student loans are very different to other loans. They're a unique hybrid somewhere between a loan and taxation - so it's important to understand exactly how the repayments work so you can think about their impact.

Most part-timers will be eligible to start repaying in April 2021

You are eligible to start repaying your loan in the April four years after the start of your course - which will be April 2021 for those starting in 2016. However, you will only start repaying if you earn above the £21,000 threshold.

If you finish your course early, or leave your course without completing it, you may be eligible to repay earlier than if you complete it in the normal time. For administrative reasons though the earliest you will start repaying is from April 2018.

Some of you will be sitting there going, 'But hold on, what happens if I am doing a five-year course?' Well, if you earn above the £21,000 threshold, you will start repaying in April 2021 even though you are still studying. If you are not earning anything, you won't start repaying until you start earning above the threshold.



Graduates repay 9% of their pre-tax annual earnings once earning above the £21,000 repayment threshold

The amount you repay is based only on what you earn, not what you borrowed – therefore no matter how much you take out in loans, you'll pay the same back each month.

FOR EXAMPLE

If you earn **£22,000 a year** you'll repay £90 a year or £7.50 a month (9% of the £1,000 earned above £21,000). If you earn **£31,000** you'll repay £900 a year or £75 a month.

Earn under **£21,000** and you never repay.

AND IF YOU LOSE YOUR JOB, TAKE A PAY CUT OR DECIDE TO TAKE A CAREER BREAK ONCE YOU HAVE STARTED REPAYING THE LOAN, REPAYMENTS SIMPLY STOP OR DROP ACCORDINGLY – NO QUESTIONS ASKED.



What happens if you have savings or investment income?

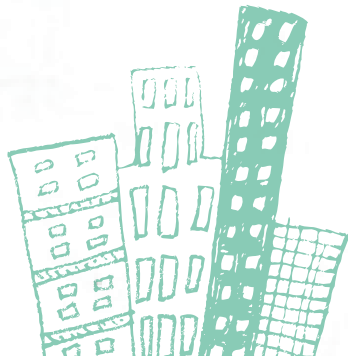
If you have additional income of £2,000 or more a year from savings interest or shares and dividends this will also be treated as part of your income for repayment purposes. So you'll need to repay 9% of your total income (job/pension + savings/investments) if you are over the threshold.

Any income under £2,000 a year does not count.



KEY FACT - NO DEBT COLLECTORS

Most student loans are repaid through the payroll, meaning the money is taken off your paycheck by your employer just like tax. So unlike commercial loans, no debt collectors will ever be involved. If you ever earn under the threshold amount, or lose your job or take a career break, your repayments will simply stop – no questions asked.



Monthly repayments are the same on £4,500 and £6,750 courses

The cost of your course will have no effect on the amount you repay each month as a graduate. That purely depends on what you earn (9% above the £21,000 repayment threshold), not what you borrow. Though of course, the more you borrow the longer you could be repaying.



After 30 years, any remaining debt is wiped

Graduates stop repaying when they've cleared the debt or when 30 years pass, whichever comes first. If you never get a job earning over the threshold, you'll never repay.

The debt is also wiped if you die or become permanently incapacitated (in receipt of disability benefits and unable to take on any work).

'Above-inflation' interest will be charged

One other major change to the system is that a higher interest rate is now charged. Under the new system, students won't just pay for the cost of their education – sadly, they'll pay to finance it too.

However, it is important to understand that this interest is just added to the 'amount owed'. It doesn't change repayments. Therefore, if a student will never repay in full in the 30 years before their debt is wiped, the added interest is irrelevant. If they are a higher earner it will mean they are repaying for longer and repaying more. See www.studentfinancecalc.com for more information.

While studying: You will accrue interest at RPI (Retail Price Index) inflation plus 3% on the outstanding balance. This starts as soon as you get the loan and continues until you are due



to start making repayments, when it changes to...

If you earn £21,000 or less: RPI inflation.

If you earn £21,000 to £41,000: The interest rate will gradually rise from RPI to RPI plus 3% the higher your salary (the interest rises 0.00015% for every extra pound you earn or, put another way, if you earn £1,000 more you accrue 0.15% in extra interest).

If you earn over £41,000: RPI inflation plus 3%.

The interest cost will only affect you if you'll repay all you owe before the debt is wiped after 30 years, otherwise you'll never repay it. Yet if you do earn enough to repay fully it's likely to mean you repay more overall, and you'll be paying for longer.



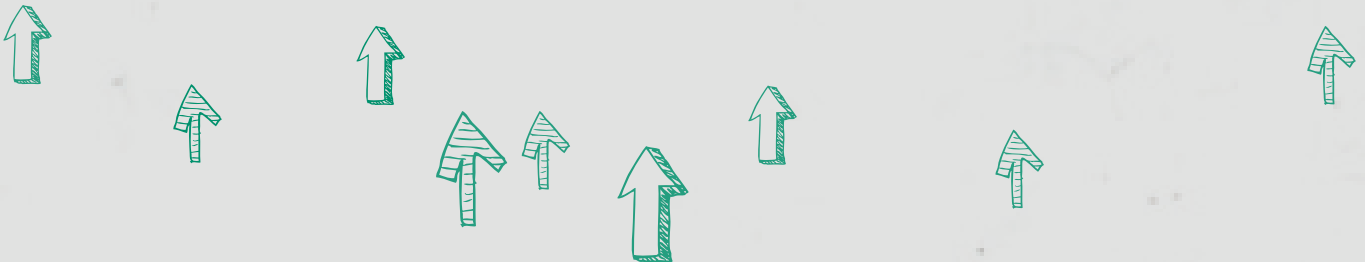
AN EASY WAY TO EXPLAIN 'INFLATION'

Inflation is a measure of the rate at which prices change over time. Usually, though not always, they rise. So if inflation is 4%, a basket of shopping costing £100 this year will cost £104 next year.

Therefore, if the interest on a loan is set at the rate of inflation, it's like saying you were lent a 'basket of shopping's worth' of money last year, but when it comes to repaying you'd have to give the cash that'd buy that same basket back today.

This is the crucial question and one of the many fears that put people off going to university - the 'how will I afford to live with this debt?' question.

The answer is different for everyone, but the following three points should help clear it up.



HOW MUCH WILL IT ACTUALLY COST ME?

1. How much will you repay each month?

This all depends on what you earn. And it will change each year depending on whether the repayment threshold increases with average earnings or not. The chart opposite is a simple example, ignoring any average earnings increases and calculated on £21,000 earnings.

2. Many people NEVER repay in full

Calculations show that many full-time students will never pay their debt off in full before the 30 year cut-off point, especially if they are low earners, given they may not start repaying immediately or indeed ever if they earn under £21,000.

That effect is lessened slightly for part-time students as the original loans are lower, as there's no maintenance loan element. However, if you're an older student, as many part-time students tend to be, and not likely to be working for the full 30 years after your course ends, you are less likely to repay in full.

2016 STARTERS		
Earnings	Annual repayment	Monthly pay packet reduction
£15,000	Nothing	Nothing
£21,000	Nothing	Nothing
£22,000	£90	£7.50
£30,000	£810	£67.50
£40,000	£1,710	£142.50
£50,000	£2,610	£217.50
£100,000	£7,110	£592.50

For a rough guide to whether you'll pay back or not, check out the Student Finance Calculator www.studentfinancecalc.com There are versions for both part-time and full-time study

THINK OF IT MORE LIKE AN EXTRA TAX, OR GRADUATE CONTRIBUTION NOT A LOAN!

The maximum possible loan a part-time student doing a four-year course is likely to accrue will be around £27,000. This is a frightening amount, and indeed many are frightened of it. But it may help to think of it as an additional tax, or graduate contribution rather than a loan.

Consider the following facts:

- It is repaid through the income tax system.
- You only repay it if you earn over a certain amount.
- The amount repaid increases with earnings.

- It does not go on credit files.
- Debt collectors will not chase you for it.
- Bigger borrowing doesn't increase repayments.
- Many people will continue to repay for the majority of their working life.

In summary, the system is set up so that the cost is met by the beneficiary of the education. So you could view your loan repayments as a form of tax, or graduate contribution, but one that simply ends once you've repaid what you borrowed (plus interest).

What if I'm close to retirement or retired?

You are entitled to a tuition fee loan as long as you are studying for an undergraduate degree for the first time. There is no age restriction.

The system is extremely favourable to older students, because unless you have a very generous pension you will never earn enough to repay any of the debt.

Even if you earn during the course, you only start repaying your 9% of everything above £21,000 repayment threshold following the April of the fourth year since you started.

Most people in their fifties, even if they are working at some point, see an extreme drop in income once they hit retirement - and for many, this is likely to fall below £21,000. We've heard of one Birkbeck student aged 102, and if they were to start under the new system it's pretty unlikely they'd ever repay in full.

HOW MUCH WILL IT ACTUALLY COST ME?

3. So should you pay fees upfront?

If it's unlikely you'll pay off the full amount you borrowed at current prices, it's likely to be a bad idea to pay in full upfront. However, if you're already a high earner with a long work life ahead of you, then paying upfront is a good way to avoid the above-inflation interest charges.

Of course, many won't know exactly what they will earn throughout their lives. But as many part-time students already have a job, they are in a better position than most to estimate future earnings to help them make the decision.

HOWEVER, EVEN IF YOU HAVE SAVED ENOUGH TO PAY YOUR TUITION FEES UPFRONT, IT IS WORTH QUESTIONING WHETHER THE MONEY COULD BE BETTER USED ELSEWHERE - FOR EXAMPLE YOU MAY NEED A MORTGAGE OR A CAR LOAN.

Personal loans charge far higher rates of interest than student loans, and in the long run mortgages are likely to be roughly on a par. Yet a cash lump sum used as a substantial deposit could enable much cheaper borrowing, and of course mortgage repayments don't stop if you have a work break or if your income falls.

So if you'll need to borrow money back from a commercial lender later, using the cash to clear a student loan now isn't necessarily a sensible strategy.





KEY FACT - CAN I REPAY MY STUDENT LOAN EARLY?

No charges or so-called early redemption penalties will be imposed on graduates who decide to pay off their student loan early. This means if you do run into cash after university and want to clear your debt earlier to avoid further interest costs, you can. However, just because you can repay without penalties, doesn't mean you should. For some who won't pay off their loan in its entirety, making extra payments could simply be throwing money down the drain as it won't make any difference.

For more information on how this works visit:
<http://www.moneysavingexpert.com/students/student-loans-repay>



STUDENT LOANS DO NOT GO ON CREDIT FILES

When people borrow from a bank for a credit card, loan or mortgage, to evaluate whether they'll make money from them, lenders look at three pieces of information: the application form, previous dealings you've had with them and, crucially, the information on your credit reference files.

Most normal financial transactions and credit relationships are listed on these files – yet student loans are not included (with the exception of students who started university before 1998 under the old loans system and have defaulted).

However, if asked about them on application forms you must declare it.



IS UNIVERSITY WORTH THE COST?

Going to university is an individual choice. While on average most graduates do earn more than those who don't go to university, there are no guarantees. Yet higher education is often about more than just financial gain.

After the heated political debate about tuition fees, it is vital that potential students make informed choices about going to university based on the facts about the new system.

No one but you can decide whether it's right for you or not. Yet by explaining the likely cost, we can hopefully help you try and work out the value.

WHAT ABOUT IF I AM FROM WALES, SCOTLAND OR NORTHERN IRELAND OR IF I AM ENGLISH BUT WANT TO GO TO A WELSH, SCOTTISH OR NORTHERN IRISH UNIVERSITY?

Welsh, Scottish and Northern Irish students, including those who decide to study in England, receive their financial support from their 'home' devolved administration. It's a matter for the devolved administrations to decide how they wish to support their students and this will vary.

Wales: Fees for Welsh part-time students studying in Wales will be set by each higher education institution. Welsh students will receive a tuition fee loan of up to £2,625 and means-tested fee grant of up to £1,025 (subject to the intensity of study). A means-tested course grant of up to £1,155 will also be available to help with living costs.

English students studying in Wales will be able to take out a fee loan to cover the cost up to £6,750. For Northern Irish students the same level of means-tested grant as those studying in Northern Ireland will be available. At the time of writing (September 2015) Scotland does not have any provision available for part-time students studying outside of Scotland.

Further information can be found on www.studentfinancewales.co.uk

Scotland: Scottish students studying part-time in Scotland could be eligible for a tuition fee grant of up to £1,820 (this will be dependent on income and subject to the intensity of study).

Fees for English, Welsh and Northern Irish part-time students studying in Scotland will be set by each higher education institution. English students will be able to take out a fee loan to cover the cost up to £6,750. Welsh students will receive a tuition fee loan of up to £6,750 and course grant of up to £1,155 (dependent on income). Northern Irish students will receive the same level of means-tested grants as if they were studying in Northern Ireland (see below).

Further information can be found on www.saas.gov.uk

Northern Ireland: Fees for Northern Irish part-time students studying in Northern Ireland will be set by each higher education institution. Students will receive a tuition fee loan of up to £3,685 and means-tested fee grant of up to £1,230 to cover the cost of this (subject to the intensity of study). Eligible part-time students will also receive a means-tested course grant of up to £265.

Fees for English, Welsh and Scottish part-time students studying in Northern Ireland will be set by

each higher education institution. English students will be able to take out a fee loan to cover the cost up to £6,750. Welsh students will receive a course grant of up to £1,155 (dependent on income). At the time of writing (September 2015) Scotland does not have any provision available for part-time students studying outside of Scotland.

Further information can be found on www.studentfinancenl.co.uk

For administrative reasons though the earliest 2015 students can start repaying is April 2017.

WHAT BENEFITS COULD YOU QUALIFY FOR?

Part-time students on a low income may be eligible for benefits to help with living costs. These include Income Support, Housing Benefit and Council Tax Benefit.

If you're studying part time, you may be able to claim Jobseeker's Allowance if you work fewer than 16 hours a week. But you must be willing to go to job interviews, even if you have to take time off from your course.

If you already claim Incapacity Benefit and/ or Employment and Support Allowance you may be able to carry on getting it as a student.

WHAT IF I HAVE A CHILD?

Part-time students do not qualify for extra financial help such as the Childcare Grant, Parents' Learning Allowance or Adult Dependant's Grant. But if you work as well as being a part-time student, you may be able to get Working Tax Credit or Child

Tax Credit if you are responsible for a child, which may help cover some of your childcare costs. To help you balance study and childcare, many universities and colleges have on-site crèches which are sometimes subsidised.

WHAT OTHER FORMS OF FUNDING ARE THERE?

In addition to 'official' financial support, other funding sources are also available from scholarship sites such as www.scholarship-search.org.uk
www.family-action.org.uk
www.turn2us.org.uk
www.studentcashpoint.co.uk
www.unigrants.co.uk

IF YOU HAVE A DISABILITY, CAN YOU GET ANY EXTRA FINANCIAL SUPPORT?

If you have a disability or specific learning difficulty – which could mean anything from a mental health condition to dyslexia – you can get extra financial help. Disabled Students' Allowances (DSAs) are available to those who face added costs because of a disability or other condition. DSAs are paid on top of the standard student finance package and are not dependent on income and do not have to be repaid.

WHAT HAPPENS IF YOU LEAVE YOUR COURSE EARLY?

If you leave your course early for whatever reason, any loans you have had up to that point will still need repaying. The repayments and interest work in the same way as if you completed the course: in other words you repay 9% of everything earned

above £21,000 starting in the April after you leave your course. For administrative reasons though the earliest 2015 students can start repaying is April 2017. You may also be asked to repay any grants you have received and your funding entitlement for a future course may be reduced.

CAN YOU APPLY FOR A LOAN EVERY YEAR WHILE STUDYING?

You can normally apply for a loan to cover your tuition fees for every year of your course. There are some exceptions, for example for longer courses such as medical degrees where different packages of support are available in later years. You should check with your university or college if you are unsure what support is available from them. Interest, pensions or shares and dividends will also be treated as part of your income for repayment purposes and you'll need to repay 9% of your total income, via self assessment.

WHAT HAPPENS IF YOU LOSE YOUR JOB OR TAKE A CAREER BREAK?

If, after university, you are working and your salary falls below the £21,000 threshold then repayments stop. The same happens if you decide to take a career break or are made unemployed. Repayments will simply be suspended until you earn over the threshold again.

HOW DO THE SELF-EMPLOYED REPAY THE DEBT?

If you set up your own business or work for yourself, repayments will be collected via HMRC's Self Assessment scheme. This means you will need

to make payments by the appropriate deadline to fulfil your legal obligations. If you do not pay, HMRC will pursue you for any amount overdue.

Interest, pensions or shares and dividends earning over £2,000 a year will also be treated as part of your income for repayment purposes and you'll need to repay 9% of your total income, again via self assessment.

DO YOU STILL HAVE TO REPAY IF YOU MOVE ABROAD?

Yes, is the simple answer. You're still obliged to repay the student loan based on 9% of all earnings above the equivalent of £21,000 in the country you are in, and you can face a fine if you don't or be asked to repay the whole outstanding balance in one lump sum. By taking out the loan you have a contractual obligation to repay it.

You may have heard that some people don't repay loans when they move abroad. If that happens it's because there are practical difficulties for the government to pursue repayments – but that doesn't stop you owing the cash.

Also, if you don't keep in touch with SLC, or fail to advise SLC of changes to any of your personal details, an interest rate of RPI + 3% will be applied to your loan, whatever your income.

FURTHER READING

BRIGHT KNOWLEDGE

www.brightknowledge.org

- the essential guide to careers, education and student life

THE STUDENT ROOM

www.thestudentroom.co.uk/studentfinance

- information about applying for student finance

NASMA

www.NASMA.org.uk

- the National Association of Student Money Advisers who work in universities, student unions and further education colleges

NUS

www.nus.org.uk

- National Union of Students, a voluntary membership organisation which represents the interests of students

UCAS

www.ucas.com

- the organisation responsible for managing applications to higher education courses in the UK

MONEYSAVINGEXPERT.COM

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